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ANTIWASTE, ANTICORRUPTION, ANTIBUREAUCRACY

Promotion of Drive. New groups and new methods were still being utilized in developing the anticorruption drive. Hofei announced (Feb. 17) that Information Box No. 101 had been set up by the Anhwei Austerity Committee, and had received 2,199 letters. Harbin announced (Feb. 12) that "for the convenience of informers of corrupt elements," the Harbin radio station had designated Post Office Box 33, and had organized a staff with telephone number 1837. Wuhan said (Feb. 12) that the Nanchang City Government had organized 300 cadres to check up on public offices and 800 to check on businessmen.

Wuhsi reported (Feb. 16) that cultural workers in Soochow were taking the lead in promoting rallies and organizing inspection teams. Shanghai announced (Feb. 14) that to celebrate the Women's Festival on Mar. 8 the East China women's groups would concentrate on the "Three Anti's" and the "Five Anti's" drives. Sian said (Feb. 17) that the Shensi Women's Democratic League had issued a directive to all subordinate units to give publicity to the drive, and to join in rallies and make accusations. Wuhsi said (Feb. 13) that in Soochow students and workers had organized propaganda teams, and also had collected 8,000 reports on corrupt merchants. Hangchow reported (Feb. 14) "that with the assistance of student publicity groups" local store employees had exposed 2,000 cases of corruption.

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Wuhsi reported (Feb. 13) that in Nanwei Hsien, Kiangsu, "persons who have confessed" were being organized into propaganda and inspection teams. Students of Chengchiang had called a propaganda rally, and had called a second one on Feb. 9 to honor Tu Chung-hua, Shih Cheng-shih, Hsieh Chung-te, and Wang Shih-ching for their efforts in promoting the drive. Chungking announced (Feb. 17) that the local People's Revolutionary Committee, the Democratic National Construction League, and the Farmers and Workers Committee had joined forces to promote the drive. Kunming said (Feb. 11) that workers in the light industries were busy collecting information on corrupt merchants, and that when Feng Chin-hsing tried to bribe worker Chang Yun-wu he immediately was reported to the workers' committee. Canton reported (Feb. 12) that food processing factory workers and transport workers had organized inspection teams. Mukden declared (Feb. 17) that workers in the Dairen-Port Arthur Paint and Glass Factory now felt the fruits of their labor were going to the people rather than to the capitalists because of their part in the anticorruption drive. Chinchow reported (Feb. 17) that the propaganda team of the Chinchow textile mills had called a rally of workers' families to "indoctrinate wives and children of the workers in the importance of making accusations against corrupt elements in their families."

Anshan announced (Feb. 12) that 10 local Youth Corps members had been cited for their efforts in promoting the drive, while other youths had been granted membership in the Youth Corps because of their work. Many members had accused their fathers of corruption, and Liu Chien-wei, Women's Youth Corps member, accused her brother. Shanghai reported (Feb. 15) that the Youth Corps had conferred honors on Tung Pi-hua, who had "refused all blandishments of employers and urged others to oppose corrupt merchants," had made 116 reports, and had led other clerks in making 1,300 charges. Other Youth Corps members were similarly honored at Ningpo, Hangchow, and Tsingtao. Hangchow announced (Feb. 16) that a rally honoring Youth Corps members who had done outstanding promotion work would be broadcast, with all members of the organization urged to listen in. Wuhsi asserted (Feb. 16) that the Youth Corps of the Chinchiang Railway Station had organized "tiger hunting teams" to check on corrupt merchants, and would utilize differences between business competitors, and between husbands and wives, to secure evidence of corruption.

Hangchow announced (Feb. 17) that shop clerks and students were holding mass meetings in the streets "in spite of the rains and snow." Anshan announced (Feb. 13) that a local rally promoted by the Austerity Committee had been attended by 1,400, while 59,000 heard it over the radio. The station had already announced the broadcast (Feb. 12). Canton reported (Feb. 13) that an anticorruption drive newsreel had reached the city from Peking, was being shown to merchants "who refused to confess," and would be released for the public Feb. 25. Hankow announced (Feb. 16) that movies on the drive would be shown in all major theaters of the Central and South China area when they arrived from Peking. Wuhu said (Feb. 11) that the Mine Control Bureau had organized four teams to promote the drive: One to do propaganda work; one to make investigations; one to check accounts; and one to make accusations. Chungking reported (Feb. 15) that in Yunnan and the West Szechwan Military District the drive had proceeded on schedule up to Feb. 12. In Kweichow and southern Szechwan it was substantially up to schedule; in Sikang and northern Szechwan 70 percent fulfilled; in eastern Szechwan 30 percent; and in Tibet it was just getting started.

Chungking announced (Feb. 11) that the Finance Bureau of the Southwest China Military and Administrative Committee had issued a six-point directive setting rewards for informers of tax evasions at 2 to 5 percent of the fines, plus a flat 5 million yuan following successful prosecution. Wuhan announced (Feb. 13) that in the Central and South China area the reward would be from 3 to 10 percent, with a ceiling of 10 million yuan. Wuhsi (Feb. 15) reported new regulations providing that, in view of the fact that some businessmen, in order to succeed in their corruption, had "showered small favors, such as salaries, bribes, and extra bonuses," on employees, "these payments shall be kept by the employees and workers. No further investigation or punishment will be taken against them by the Government."

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Confession and Accusation Meetings. Numerous reports of meetings and rallies still are broadcast daily, with confessions and accusations, and frequent arrests made when persons refuse to confess to charges. Chinchow reported (Feb. 12) that 2,000 persons gathered for a rally in the Liaosi Hall of Culture, where 12,000 accusations and 5,000 confessions were received; several merchants made confessions and were pardoned; and pardoned merchants made speeches "thanking the People's Government for its kindness." Feng Kuo-hai and Wang Yun-hai were accused by an inspection committee and arrested. The same radio (Feb. 13) told of a rally of 600 cadres at which Chang Kan-chung confessed, while Lu Chien-ching, accused of conniving with merchants to sell materials from the Department of Communications, and of preventing Chang from confessing, refused to confess and was arrested. Workers in the Chinchow Railway Station held a rally to "force engineer Chung Te to confess to accusations of transporting opium."

Shanghai reported (Feb. 12) that at a meeting of 400 construction workers in Wuhsi, corrupt construction contractors were exposed and 477 accusations made. Construction workers held a rally in northern Anhwei attended by 800. Contractors Feng Ying-ling and Chung Kuo-cheng confessed and were pardoned, while Ying Jih-cheng and Yung Te-chang were held for investigation following refusal to make confessions. Hangchow reported (Feb. 11) that at a rally called by the Bureau of Public Safety, Police Chief Jao Li reported receipt of 1,000 letters of accusation. The chairman of the Women's League called upon women "fearlessly to expose corrupt merchants." Huainan said (Feb. 15) that at a rally attended by 500, Chairman Liu Te-chuan of the Huainan Mining District Austerity Committee warned of the dangers of "remnants of capitalism among the workers;" several workers accused of stealing Government property refused to confess and were given deadlines; and other workers were charged with making incomplete confessions.

Wuhsi announced (Feb. 11) that at rallies in Wu and Shanghai Hsien, Kiangsu, Tax Bureau cadres Chang Wei-ling, Chang Su-min, and Ling Seng were pardoned after full confessions, while Kung Cheng-ssu refused to confess and was arrested. The same radio (Feb. 12) reported a Changchow rally at which the manager of the Changchow branch, China General Merchandise Company, confessed and was pardoned. Wuhsi reported (Feb. 13) that businessmen in Changchow held a meeting, at which they were "urged not to suppress accusations, and to make full confessions to gain pardons." Wuhsi reported (Feb. 17) that the Transport Trades Association held a rally of families, when Chin Cheng made her husband, Yang Chang-ling, confess; Chang Hsin-chang, Navigation Bureau accountant, "was forced by his wife to confess;" and Kuan Chu-ching's wife accused him of corruption and handed over a gold ring he had received as a bribe. Canton announced (Feb. 11) that the Canton Textile Workers Union held a rally at which several workers made confessions and accusations. Li Wei-tang, section chief, No. 1 Mill, made a confession and accused three others of corruption.

Kunming announced (Feb. 11) that women from industrial and trade circles held a rally Feb. 10 in which Hu Wen-kang "reported on the role of business women in influencing their husbands to confess and make accusations;" and the secretary of the league, Chang Wei-chen, pointed out that "women should have equality with men in making confessions and accusations." Chungking reported (Feb. 15) that in Kweiyang, 1,000 attended a rally Feb. 11, at which 700 merchants rushed to make confessions ahead of the deadline, and 50 "corrupt elements who refused to confess in full" were arrested.

Wuhsi said (Feb. 16) that in many local Government offices throughout Kiangsu, cadres had made confessions to their senior officers and promised to make accusations "in return for their pardon." Chiang Wan-ping, Kiangning Cooperative cadre, refused to confess and was arrested. Wuhan announced (Feb. 11) that in Changsha the deadline for confessions by merchants would be Feb. 20. Nantung reported (Feb. 15) that Board of Trade Chairman Chang Chin-li promised leniency to all who confessed. "Corrupt merchants" Wu I-tung and Shih Feng-ling confessed and were pardoned; Chen Shou-chun refused to confess and was "ordered to change his attitude;" and Chen Hsi-chiang was given another chance to confess following a previous refusal. Huainan reported

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(Feb. 15) that Chen Ko-jih, Chiulung Colliery cadre, had been praised for "accusations against workers in the habit of selling Government property."

Harbin announced (Feb. 12) that Kao Ching-chun, a Youth Corps member in the Sungchiang Tax Bureau, had exposed his father's corruption. Anshan reported (Feb. 17) that at a rally in the Liehshan Iron Works on Feb. 13, one cadre accused another of conniving with corrupt merchants to sell Government property valued at 100 million yuan. The accused cadre refused to confess and was arrested. Sian announced (Feb. 17) that the Northwest Austerity Committee had extended the deadline for confessions of corrupt elements in top-level Government organs by 10 days "at the request of corrupt merchants."

Clerks Versus Merchants. Shop clerks have continued to be the major focal group in the attack on corrupt merchants. They have held rallies, organized inspection teams, and reported thousands of cases of corruption. However, they have shown some reluctance to continue the drive, and efforts have been made to overcome this reluctance. Hankow reported (Feb. 17) that at a rally on Feb. 15, a directive was issued urging shop clerks to "utilize the show windows of their shops" to publicize the anticorruption drive. Tsinan announced (Feb. 13) that clerks in Hsuehchow held a parade when it was announced that accusations by them had reached 26,900. In Tsinan 1,000 shop clerks sent a message to Mao Tse-tung reporting progress in the drive. Shanghai announced (Feb. 11) that Chao Pao-kang, clerk in the Tachung Photo Shop, had been given a certificate of merit by the Youth Corps for "exposing more than 100 corrupt elements" and "organizing the city's clerks to fight corrupt elements." Peking said in numeral code (Feb. 16) that in Tsingtao the shop clerks' "shock investigation teams" had played an important role in the struggle against wicked merchants.

Dairen reported (Feb. 17) that reports by local shop clerks against corrupt merchants had reached 8,098. The broadcast of a rally gave great impetus to the drive. Chang Tai-lien, who had been "influenced by his employer not to make accusations," changed his views after the broadcast and accused his employer of evading taxes and cheating on labor and materials. Yao Pao-ching accused his employer of bribing cadres and stealing Government property. Hangchow reported (Feb. 11) that at a rally in the Taiping Theater, Mayor Wu praised the clerks for their work and announced that 10,630 accusations had been received. Following this speech, which was broadcast, clerks in Hsiacheng Chu phoned in 10 more reports of corruption. The same radio said (Feb. 17) that 30,000 cases of dishonest merchants and lawbreaking capitalists had been uncovered in the city by 60,000 workers, 21,800 cases in one day. Shanghai announced that at a rally of shop clerks in Foochow 242 letters of accusation were received. Wang Kuang-yuan reported tax evasions by his employer, and Yu Hsin-ling accused merchant Cheng Ko-chen of bribing cadres. Yangchow said that 257 women clerks made accusations against merchants "following indoctrination." Hsiao Wei-hua made 16, "including some against her uncle," and Chen Pao-chu made 20. The same radio reported (Feb. 16) that in Icheng Hsien, Kiangsu, 800 shop clerks had organized inspection teams and reported 390 cases of corruption. Wuhsi announced (Feb. 11) that 4,000 cases of corruption had been reported by clerks in Changchow.

Wuhan announced (Feb. 15) that in Nanchang, Kiangsi, 10,000 accusations had been made against corrupt merchants. Twenty-seven who had refused to confess had been arrested. Sian said (Feb. 13) that 1,800 local shop clerks had issued a challenge to other units. In Chu 7 accusations against merchants had reached 170, and the total in the city had reached 6,000. Shop clerks had held rallies in Lanchow, Tihua, Sining, and Yinchuan, Kansu. Kunming announced (Feb. 12) that clerks had reported 14,000 cases of corruption. Yang Tso-lu, clerk in the Weifeng Transport Company, made 20 accusations against his employer. Chungking reported (Feb. 14) that in Chengtu the shop clerks had demanded punishment for corrupt merchants following their exposure of 10,000 cases of corruption. The same radio said (Feb. 15) that in Wanhsien, Szechwan, shop clerks had reported 6,458 cases. In Changshou there were 1,200 reports, 50 clerks making accusations in one meeting. In Chungking, the Chungking radio reported (Feb. 16) shop clerks had made 16,000 reports, involving 100 billion yuan.

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Harbin reported (Feb. 13) that in Mutanchiang, Sungkiang Province, the shop clerks had organized six teams to "study documents and prepare for accusations." Shanghai said (Feb. 16) that shop clerks in the metal trades had met to discuss the "hesitancy of senior and long-service clerks" to promote the anticorruption drive "because of their errors in thinking." The same radio (Feb. 17) carried a commentary: "Some preliminary experiences of the Nanking Shop Clerks Union in mobilizing the shop clerks for the antiwaste, anticorruption, antibureaucracy drive." Hangchow announced (Feb. 14) that local high school students had organized propaganda teams and were "writing encouraging letters to shop clerks." The same radio said (Feb. 15) that in Ningpo a meeting of shop clerks had been called Feb. 7, when senior clerks were called upon to "overcome their fears and make accusations against corrupt merchants."

Wuhsi announced (Feb. 15) that 18,000 Soochow store clerks heard reports by leading cadres at a rally, who urged them to "overcome their hesitancy and fear of the corrupt merchants." The same radio reported (Feb. 15) that at a Soochow Youth Corps rally Feb. 13, Secretary Ku Ping urged members to intensify their propaganda drive and "overcome the fears of clerks for their employers." At the meeting Chang Te-ling accused his father of dealing in gold and promised to urge him to confess. Kao Chin-shan exposed her husband and promised to bring more evidence against him. Hankow announced (Feb. 16) that the local Youth Corps had organized "to strengthen the clerks' drive," and would indoctrinate clerks and "overcome their hesitancy." Sian reported (Feb. 13) that cadres in Pucheng Hsien, Shensi, had organized 400 shop clerks to listen to a broadcast rally.

Kunming announced (Feb. 11) that the Kunming Committee of the China Clerks Union had called a meeting of "1,000 clerks and their families." At the meeting several clerks confessed that they had been prevented by their wives from making accusations, while several wives reported that they had influenced their husbands to make charges. Kunming said (Feb. 13) that clerks in the import-export trade had "received indoctrination because they were not promoting the drive." Then they "put aside their fears" and made 147 accusations against employers. The same radio said (Feb. 17) that local shop clerks had "succeeded in overcoming the hesitancy of senior clerks, who have refused to make accusations." Shop clerks were said to have held meetings "for the exchange of information on their employers," and to have made 7,000 reports of corruption.

Big Tiger Hunting. The "big tigers" have been defined as those corrupt elements who took more than 100 million yuan, caused the Government to lose more than 100 million yuan, or stole Government economic secrets. "Big Tiger Hunting Teams" have been organized to concentrate their efforts on hunting out these major corrupt elements.

Wuhan reported (Feb. 12) that Mayor Wu Te-feng addressed a trade circles rally when he cited the cases of 15 local merchants who already were under arrest, and who cost the Government 190 billion yuan. In Kwangsi Province the Austerity Committee had organized cadres to go after major corrupt elements in Nanning. Hankow announced (Feb. 12) that cadres in 32 organs of the Central and South China area were busy searching for the big tigers, with 27 persons involved in cases amounting to more than 100 million yuan each already exposed in the China Electrical Supply Company alone. Wuhsi said (Feb. 12) that four big tigers who refused to confess had been exposed in the Municipal Government. Huainan reported (Feb. 17) that workers in the Chiulungkang Colliery had organized big tiger hunting teams who had "captured 25 tigers by Feb. 15, of whom two were involved in corruption cases amounting to more than 100 million yuan." Cadre Wu Shou-chang connived with merchants to defraud the Government of 20 millions, "but refused to confess." Sian announced (Feb. 12) that in the Nancheng Special District, Shensi, cadres had organized to go after big tigers.

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Chungking announced (Feb. 15) that the Communist Party Committee in Jungching Hsien, Szechwan, had "issued a directive on tiger hunting," calling on cadres to study, and then organize hunting teams. Chungking reported (Feb. 16) that in Tushan, Kweichow Province, several big tigers had been arrested in the Tax Bureau and Grain Bureau. Kunming reported (Feb. 13) that in Chingtung Hsien, Yunnan, big tiger hunting teams had been organized in the Public Safety Bureau, the Grain Bureau, and the People's Bank. Kunming said (Feb. 15) that workers in the Kunming Electrical Supply Company had agreed to work 16 hours per day in order to promote big tiger hunting. Chungking reported (Feb. 16) that Kunming clerks had praised the arrest of major corrupt elements in the city Feb. 9 by issuing a statement that "they would not stop until all the big corrupt elements are wiped out."

Tsinan announced (Feb. 16) that workers in private shops and factories of the city had organized 150 inspection teams to go after big corrupt merchants, and already had caught 28 "tigers" who were being investigated by the Austerity Committee. Anshan revealed (Feb. 12) that in the local Kangshun Factory the leaders had been warned to overcome their laxity, for "although tiger hunting teams were organized, yet only one major corrupt element was exposed, and many lesser elements still are at large."

Shortcomings in Drive. A considerable number of broadcasts indicated that the anti-corruption drive was not proceeding satisfactorily in all areas, though in most cases the laxity of the cadres was blamed. Anshan quoted (Feb. 11) from a KUNG JEN SENG HO PAO editorial, which "attacked lax cadres who are hesitant" in promoting the drive, and "cited leading cadres in several enterprises who have held back the drive because they were corrupt and feared accusations." Chinchow announced (Feb. 12) that the Liaosi Party Committee had called on all cadres in State factories to "overcome their lethargy and energetically promote the drive."

Tsinan complained (Feb. 17) that although 36 major elements had been caught in Tsingtao in a week, two above the plan, yet "cadres still are lax and not fearlessly attacking the strongholds of the tigers." Many of these errors were due to the "unclean hands of the cadres," some of whom "even had become running dogs of the capitalists." Although many cadres had taken the attitude that Government offices were above corruption, "Wang Li, a Party cadre, was accused of 30 millions in corruption." Tsinan reported (Feb. 15) that the local People's Consultative Council and the People's Government had organized a 19-man "adjudication committee" to "handle cases arising out of the drive." Shanghai announced (Feb. 12) that the Party Committee of the East China Military Control Commission had called a meeting Feb. 9 and told the cadres that "they must overcome their laxity and support the drive against tigers," then issued a four-point program and called upon the cadres to implement it. Hofei (Feb. 15) quoted from the HUANNAN HUANPEH LIENHO, which carried an article on cadres who "endanger the People's Revolution," especially cadres like Yen I, "who used his position as a cadre to defraud the Government of 50 million yuan."

Yangchow announced (Feb. 13) that in Taichow the Party Committee had organized cadres into study groups "in order that they might understand the purpose of the drive, as they were lax." The same radio said (Feb. 16) that the Party Committee called a meeting of Taichow cadres on Feb. 10, at which the cadres were accused of "not going after the tigers with clean hands," and warned to confess, as the Committee "intended to take drastic action." Yangchow reported (Feb. 17) that in northern Kiangsu the cadres were "undergoing indoctrination in order to better understand" the drive and "watch for the tricks of corrupt merchants." Many cadres had grown lax "because of the strong opposition of corrupt elements." Cadres in Government organs in Nantung, Kiangsu, also had been lax, so a meeting had been called to strengthen the drive. Wuhsi reported (Feb. 16) that the Changchow Party Committee had called a meeting of 250 cadres to "correct their thinking."

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Wuhan announced (Feb. 12) that in Hunan Province the Party Committee called a cadre meeting Feb. 9, when Party Secretary Wang Ke-feng attacked the laxity of the cadres "and their ignorance of the drive," and pointed out that in the mines the drive had not even started. In Kwangsi Province the Austerity Committee had ordered cadres to "intensify the drive," as many cadres "believed the campaign to be of short duration and had planned to conclude their drive during the spring festival." Hankow announced (Feb. 17) that a cadre meeting was called Feb. 13 in Wuhan, for though 22 tiger strongholds had been wiped out in State enterprises there, many cadres still were lax. For example, "cadres in the Wuhan Oil Company claimed there was no corruption in the firm, and when corruption was uncovered the cadres said the drive had gone far enough."

Taiyuan (Feb. 12) quoted from the SHANSI JIH PAO on the progress of the drive, and reported that in Linfeng Hsien, Shansi, the Party Committee had called upon all cadres to "overcome their laxity in making confessions and accusations." Sian reported (Feb. 11) that leading cadres in the trade associations had been lax, and were warned that all corrupt merchants must confess by Feb. 20. Corrupt elements were accused of confessing to "1950 tax evasions and saying nothing of 1951 evasions." Sian said (Feb. 14) that in the Northwest Military District cadres in the armed units had received indoctrination, as "they were lax and thought they were above the drive." Kunming reported (Feb. 15) that because of the laxity of leading cadres the drive had "made no progress in the Kunming Power Plant." Indoctrination meetings were held on Feb. 7 and 12, and "those opposing the drive were exposed." Kunming said (Feb. 17) that the Kochiu, Yunnan, City Government had failed to "broaden the campaign" against graft, "allowing a stepping up of illegal activities."

RESISTANCE TO DRIVE

Mutual Alliances. Problems in promoting the anticorruption drive have not been limited to overcoming cadre laxity. Reports of resistance by merchants and businessmen have been frequent, with "mutual alliances," agreements among all concerned to maintain silence, being denounced often.

Anshan announced (Feb. 12) that Lu Kung-shou had been expelled from the Youth Corps because he joined capitalists in a mutual alliance to obstruct the drive. The same radio said (Feb. 13) that Kao Mei, head of the Anshan Bureau of Trade, and Wang Ting-ke, chief of the industry and mines section, connived with merchants and entered mutual alliances with them, costing the Government 12 billion yuan. Chinchow reported (Feb. 12) that in Shanhaikuan the drive had faced "strong obstacles" because of mutual alliances between merchants and leading cadres. The same radio said (Feb. 13) that 10 major corrupt elements in Liaosi Province, several involved in coal contracts with Government mines, had formed mutual alliances. Under the increasing pressure the merchants "had to hold emergency meetings to strengthen their forces." Tsinan announced (Feb. 12) that cadres in Tsingtao had called an emergency meeting because of mutual alliances organized by the merchants, but that the cadres had been able to smash these attempts, notably in the Tsingtao Railway branch office. Tsinan reported (Feb. 16) that Wang Fu-ling, head of the Salt Dealers Association, had got himself elected People's Delegate in order to connive with cadres and defraud the Government, and had been active in organizing mutual alliances among the merchants and cadres.

Hofei reported (Feb. 13) that in the North Anhwei Office of Communications 36 corrupt elements had been exposed, revealing that several cadres had formed mutual alliances with merchants. In the Pengpu branch, North Anhwei River Transport Company, accusations had been made against cadres and merchants who had formed mutual alliances, with the result that some of the merchants were "demanding they be given a chance to confess." Hangchow announced (Feb. 15) that Huang Chu-hsiang, local produce merchant accused of tax evasion and dealing in silver dollars, had tried to evade exposure by forming mutual alliances with clerks. Wuhu said (Feb. 11) that Li Chang-chiang and Pei Hsin-wu had signed a mutual alliance contract, but under public pressure Li confessed to defrauding the Government of 6.72 million yuan on brick contracts. "He saw that those who confessed were pardoned, and those who refused were arrested, so he gladly confessed." Wuhsi asserted that in Changhsu Hsien, Kiangsu, "indoctrination solved the problem" of cadres who had made mutual alliances. Nantung reported (Feb. 13) that in the city 26 cadres admitted to having signed mutual alliances. Huainan reported (Feb. 15) that in the Tatung Colliery,

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Anhui, despite 510 confessions and 1,600 accusations, "major corrupt elements obstructed the drive by mutual alliances, minor confessions, and threats."

Wuhan (Feb. 11) carried a 15-minute feature broadcast on confessions of two cadres in the Property Control Office, Nanking, "who tried to evade punishment by mutual alliances." Hankow announced (Feb. 12) that Wang Chin-ju and Wang Shan-hsiung of the Board of Trade Preparatory Committee had been charged with obstructing the drive by organizing mutual alliances among merchants. The manager of the Kuotai Hardware Company was accused of organizing large firms in the hardware trade to suppress the anticorruption drive "with mutual alliances and pressure tactics against shop clerks." Canton reported (Feb. 12) that 3,000 printers met in the Taiping district and accused 11 merchants of evading taxes, after being "especially told to seek out merchants who have made mutual alliances to prevent confessions."

Taiyuan (Feb. 11) quoted from the SHANSI JIH PAO in telling how 46 workers in Shansi State-owned mines worked to smash three mutual alliances. The first page of this paper was given over to accusation letters, and carried a photo of "a merchant being trussed up and taken to prison." Taiyuan (Feb. 12) quoted from the same publication in telling of the arrest of big tiger Li Kuang-seng, who "tried to stop his fellow merchants from making accusations by forming a mutual alliance." Kunming (Feb. 12) reported a rally of shop clerks and businessmen in the city at which 9 major corrupt elements were arrested and 42 "corrupt merchants" were pardoned after confessing. Merchants Wu Ssu-yen, Wang Yen-chiu, Wu Hsin, Li Shu-ping, Chang Kuo-chang, Chin Feng, Chang Hao, Chang Hsin-lan, and Kung Po were arrested "for not confessing." However, the report said, "corrupt merchants still are obstructing the drive by mutual alliances and delays." Kunming said (Feb. 13) that contractor Chen Lao-hu had formed mutual alliances to prevent accusation, but had been accused nevertheless, of corrupting cadres, oppressing workers, and cheating on Government contracts. In contracting for 19 houses in Takuang Villa, it was said, he embezzled 80 barrels of cement, and in constructing a warehouse for a quilt factory he cheated on cement.

Faulty Confessions. Other merchants were said to have obstructed the drive by making false confessions, or confessing to only a small percentage of their corrupt acts. Anshan (Feb. 17) quoted from a letter in the KUNG JEN JIH PAO in approval of the arrest of Chou Ming of the Penchi People's Government, who had acted as an agent of the capitalists and made a "dishonest confession." Wuhu (Feb. 12) reported a rally at which the people were warned against "unscrupulous merchants who have sent in false accusations in order to discredit the drive." Teng Tung-chin "did not make a full confession, so he was detained for further investigation." Shanghai announced (Feb. 15) that in Shangkuan Chu, Hangchow, lumber merchant Wang Yu-chen tried to evade punishment by confessing to minor corrupt acts, saying nothing of the major corrupt acts. When his clerks made new accusations his arrest and trial "were demanded by the people." Shanghai said (Feb. 16) that Ho Chi-chang, a silk shop owner, was arrested and held for trial after refusing to make a full confession at a rally.

Wuhan (Feb. 13) quoted from the CHANGCHILANG JIH PAO in saying that merchants were trying to obstruct the drive "by refusing to confess or confessing only to minor corruption," and warning workers to be on the lookout for such tactics. Wuhan announced (Feb. 16) that 15 corrupt merchants had been arrested, as they had not made complete confessions prior to the deadline.

Other Obstructive Tactics. Anshan reported (Feb. 12) that Chu Wen-hu, leading cadre and delegate to the city People's Council, had been arrested and accused of conniving with Wang Ssu-chang to steal and sell Government property. He tried to bribe cadres by giving them watches and cash. Tsinan announced (Feb. 13) that merchant Tung Hsiao-shan had been arrested for "suppressing clerks and obstructing the anticorruption drive." The same radio said (Feb. 15) that (Chao Chi-hsiang), a drug store owner, had been given the death sentence with a stay of execution for 2 years with reform through hard labor, because he "refused to make a public

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confession and publicly carried out activities against the Five Anti's drive." One of his accountants committed suicide Jan. 26 because of his threats. Hangchow reported (Feb. 16) that at rallies in Hangchow and in Chinchua speakers had pointed out that "corrupt merchants are trying to obstruct the drive." The same radio said (Feb. 17) that in the Fuhua No. 1 Silk Mill workers were demanding the punishment of Manager Chen Hsiu-lu, who was accused of "stopping workers' wages and meals in order to oppress them."

Hofei announced (Feb. 13) that 310 corrupt merchants had been arrested in the Huainan Special District, Anhwei, where "many merchants refused to confess and obstructed the drive in every way." Shanghai reported (Feb. 16) that the FUKIEN JIH PAO carried an article on the arrest of Hu Wen-ching, a Foochow fish merchant who forced his clerk to commit suicide because the latter made accusations against him. Wuhsi reported (Feb. 13) that Changchow shop clerks and cadres had held a meeting to expose Shih Chiu-seng, "who tried to obstruct the drive by preventing accusations." Wuhsi said (Feb. 15) that in Chenchiang, Kiangsu, merchants were trying to suppress clerks. Many merchants also were attempting to divide the clerks by spreading tales against them and crediting them to other clerks. Chang Kuo-fu tried to bribe his clerk Ling Tao-shu with 300,000 yuan when Ling was about to report his tax evasions.

Huainan reported (Feb. 16) that when members of the Youth Corps appeared to check Li Te-chuan's books he told them that the Austerity Committee had just called and asked him to head the inspection committee, so he would lead them in checking books of other merchants. Some corrupt merchants have threatened Youth Corps members, saying that "now they are riding high, but the day of reckoning will soon come." Foochow announced (Feb. 16) that local merchants who "tried to obstruct" the drive had been exposed by their clerks. Wuhan reported (Feb. 12) that in Canton, Kung Hsiang had been held for trial because he beat up his clerk, Hsu Tu-hsin, for reporting his tax evasions. Wuhan said (Feb. 16) that Lan Ssu-an, manager of the Kuo Tai Tea Shop, had been arrested for spreading false rumors about the People's Government, and urging merchants not to pay their taxes. He demanded that his clerks hand over to him the accusations they had prepared, and when they refused he threatened them and refused to allow them to listen to broadcasts of the anticorruption rally. Wuhan said (Feb. 17) that Yang Hsueh-ching, chairman of the Changsha Labor Federation, had warned workers "of dangers of capitalistic attempts" to obstruct the drive. Hankow reported (Feb. 17) that one Wuhan merchant had been accused of trying to obstruct the drive by "stopping his clerks' meals."

Taiyuan said (Feb. 13) that the SHANSI JIH PAO had carried several articles in support of shop clerks, and an article from CHIEH FANG JIH PAO on the working class struggle during the past 3 years and "attempts of the capitalists to sabotage the movement by corrupting the workers." Sian said (Feb. 17) that news of the execution of major corrupt elements Liu Hsin-seng and Chang Chu-fan was widely acclaimed by workers in Sian. Workers held meetings and "accused the culprits of acting like American imperialists." Chungking announced (Feb. 16) that Kunming shop clerks held a rally to strengthen their opposition to merchants "who are trying to bribe the clerks into not making accusations." Kunming said (Feb. 11) that local transport workers had accused Hsu Hsien-chi of obstructing the drive by "threatening to beat up and fire anyone who dared to accuse him of corruption." The same radio reported (Feb. 12) that the Kunming Federation of Labor and the Construction Trade Association had protested against the actions of Chao Mai-yuan, a merchant in Chaoyao Chu, and his relatives, who "tried to suppress workers and prevent accusations by beating them up and firing them."

Kunming said (Feb. 15) that many merchants had fired workers. Chang Shu-ming, manager of the Hopien Construction Company, fired workers and refused to rehire them at the demand of the workers union, while contractor Chu Chien-chin discharged four workers who exposed them and refused to rehire them. In the hardware trade Cheng Ho-chun refused to pay 6 million yuan in wages, saying his business was prevented from operating by the drive. "At the same time he was drinking and feasting." Chang Chi-mei hired thugs to beat up workers who opposed him. The manager of Yungtai

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Hardware Company told the workers that "when the Kuomintang comes back he will liquidate them." Lin I threatened his workers with guns. Hardware workers called a meeting Feb. 12 to demand that the shops pay wages and "reopen by a fixed date."

CASES OF CORRUPTION

Injury to Chinese Volunteers. Peking in numeral code (Feb. 17) carried a PEOPLE'S DAILY editorial attacking dishonest merchants in Wuhan, Shanghai, Peking, Tientsin, Tsinan, Mukden and other places who "secretly injured" Chinese Volunteers by providing them with faulty goods, including first aid kits, medicines, vehicle parts, canned beef, eggs, mouldy flour, and canned vegetables containing sand. Not only did these merchants undermine the economic structure of the Nation, but they were "coordinating in reality with American aggressors in making frenzied attacks on the People's Volunteers." Other quotes from the editorial follow:

We must report and thoroughly eliminate all these shameless murderers Dishonest merchants enriched themselves with the flesh and blood of the Volunteers They have in reality become the furious saboteurs of world peace The American imperialists failed in their attempts to kill us, but the dishonest merchants secretly stabbed many of our comrades in the back. (Peking, Numeral Code, Feb. 17)

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Wuhan announced (Feb. 16) that the CHANGCHANG JIH PAO, the HSIN WUHAN PAO, and the HUPEH JIH PAO featured the arrest of 15 corrupt elements by the Wuhan Government. Not only did these merchants defraud the Government through 4.42 billion yuan in evaded taxes and 1.5 billion in stolen goods, but they also used poor materials and false ingredients. "Their corruption has greatly obstructed the Korean war effort." Shanghai reported (Feb. 17) that the CHIEH FANG JIH PAO carried an article attacking merchants who cheated on Government contracts, especially in the food and medical trades, and called for punishment of these "traitorous and corrupt merchants who have murdered the Chinese Volunteers." Canton said (Feb. 17) that the People's Consultative Council met Feb. 13 to discuss capitalistic attacks on the anticorruption drive, and the "case of corrupt drug merchants who sold fraudulent drugs to the People's Volunteer Army, to hospitals, and other public health agencies."

Peking reported in numeral code (Feb. 16) that Yang Wen-yuen, operator of an iron works in Mukden, contracted for auto skid chains for the Volunteer Army, quoting the price 400 million yuan above what it should have been and the depreciation rate 10 percent too high. He contracted for 60 times more chains than his factory could handle, and passed the work on to small smithies at 35 to 60 percent of the contract price. He hired 400 unskilled temporary workers, bought scrap and substituted it for good material furnished by the Volunteer Supply Department, and treated defective chains so they looked all right. Altogether he made one billion yuan on the deal, in addition to the materials he stole. Under the Kuomintang Yang's plant had deteriorated to such an extent that it had been turned into a beancurd shop. With the aid of the People's Government he was able to restore the factory and develop it, but he "destroyed the bridge after crossing the river."

Peking also reported in numeral code (Feb. 16) that Wang Kang-nien, owner of the Ta Kang Drugstore, speculated with large sums of money given him for medicines by the Chinese Volunteers, and gave them inferior and fake medicines. Chang Hsin-keng and Hsu Miao-hsin substituted inferior and rotten meat, and horse meat, for good beef in providing the Volunteers with canned meat. Li Hsueh-san, chief of the Volunteer purchasing delegation, was quoted as follows:

Some of the canned meats sent to us by the Fatherland have caused stomach disorders among the fighters. Some of the wonder drugs sometimes have not been effective at all, and have even caused a number of deaths and have disabled a number of fighters who could otherwise have been saved from

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death or from becoming disabled. At first the fighters thought that the technical standards of our industries were not high, and that the medical personnel had made mistakes. Only now have we discovered that these heartbreaking incidents were the results of crimes of crooked merchants. The criminal acts of Wang Kang-nien and other crooked merchants have seriously affected our strength in resisting America and aiding Korea. (Peking, Numeral Code, Feb. 16)

Yangchow reported (Feb. 16) that the Yangchow People's Government had arrested Wu Peng-lin, Wang Chien-chung, Shao Fa-chiao, and other managers of drugstores for selling imitation drugs to the People's Volunteer Army Hospital, causing a loss to the Government of more than 100 million yuan. These culprits also sold false drugs to public hospitals in northern Kiangsu, evaded 20 million yuan in taxes, and bribed 10 cadres. Shao's wife, Su Wei-ken, joined his clerks in making accusations against him. Shanghai said (Feb. 15) that in Tsinan Liu Yuan-sheng and An Chin-yuan of the Shengchang Egg Factory made excessive profits of 350 million yuan in providing 247,000 pounds of powdered eggs for the Volunteers in November 1951 by using rotten eggs and by grinding turnips into powder and substituting it for egg yolks. Peking reported in numeral code (Feb. 16) that these same two businessmen increased the percentage of water in liver and bean powder for the Volunteers, causing fermentation and poisoning. They robbed the State of 2.8 billion yuan.

Peking related in numeral code (Feb. 16) how Ling Lan-fang of the Hsinchang Leather Works, Nanking, and Tung Hsueh-chin of the Hsinling Leather Works, same city, cheated on contracts to furnish leather telephone bags for the People's Volunteers. They bid against each other, with merchant Ku Hsiang-shun of the Hsiangshun Leather Works, Shanghai, acting as mediator. Ling was awarded a contract for equipment valued at 1.16 billion yuan, and Tung was to furnish goods valued at 1.04 billion. In reality the three men worked together, cheated on labor and materials, and substituted donkey hide worth 4,000 yuan a foot for ox hide which had been contracted for 12,000 yuan a foot. They also worked their laborers 14 and 15 hours per day, endangering their health. Shanghai reported (Feb. 15) that 45 laborers had exposed another leather merchant of Nanking who substituted donkeyhide and horsehide for good cowhide in filling a contract for 28,000 motor belts for the Army, thus "causing more trouble for the People's Army."

Hangchow reported (Feb. 17) that the CHECHIANH JIH PAO had carried a letter from Chen Chao, a hospitalized Chinese Volunteer veteran, in which he attacked the crime of merchant Wang Te-fu, who cheated on comfort goods for the Korean front. Wuhan said (Feb. 17) that the CHANGCHIANH JIH PAO had received 290 letters in one week expressing indignation against the Hankow merchant who cheated on contracts to furnish first aid kits to the Chinese Volunteers, and demanding that he be severely punished.

Major Corrupt Elements. Anshan announced (Feb. 11) that Feng Chi-kuei, a shop foreman, had been accused of conniving with merchants to defraud the Government of 210 million yuan. Yu Fan-chuan, a purchasing agent, embezzled 140 millions. Tung Chi-yuan, a former Kuomintang employer, defrauded the Government of 250 million and fled to Peking, where he was arrested and is awaiting trial. Harbin reported (Feb. 12) that the major corrupt acts of merchant Wang Chi-mo, Mutanchiang, Sungkiang Province, had been exposed, despite his attempt to evade punishment by confessing to minor misdeeds. Hangchow announced (Feb. 14) that the Hopei People's Government had held a public trial Feb. 10 and ordered the execution of two big corrupt elements, (Liu Ching-shan and Chang Tzu-shan). Huainan said (Feb. 17) that major corrupt merchant Shen I-liang, after capture by a big tiger hunting team, had "been forced to confess" to corrupting Government cadres, defrauding the Government of large sums, and holding back wages of his workers. Hefei announced (Feb. 17) that in Anhwei more than 100 major corrupt elements who refused to confess had been arrested. Yangchow said (Feb. 13) that Yen Shou-ying and Wang Ke-hsiang, women clerks, each had exposed a merchant who had been involved in corruption totaling more than 100 million yuan. Wuhsi reported (Feb. 13) that in Nanwei Hsien, Kiangsu, 21 tigers had been arrested, 10 of them major corrupt elements involved in cases of more than 100 million.

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Nantung announced (Feb. 13) that 17 tigers had been arrested in the Nantung branch, China Textile Mills, including Wang Shu-neng, who worked in the mills as an agent of the capitalists and regularly gave out information on price changes, and cadres Ken Chi-nien and Chen I-fang, drug peddlers who used the mill for their operations. Nantung said (Feb. 15) that "upon popular demand" immediate execution had been ordered following a public trial of two big corrupt elements, Liu Hsin-san and Chang Tzu-shan. Kunning announced that in Yuchi, Yunnan, Lo Wei-chung had been arrested for smuggling, cheating on material and labor, and making excessive profits on Government contracts. He also beat his workers who exposed him. Chungking announced (Feb. 11) that as a result of corruption losses to the Government amounted to 76 billion yuan in Chungking; 14 million in Luhsien; 174 million in Chengtu; and in Yaan, Sikang, 6 billion. The same radio said (Feb. 13) that Ho Fu-ching had been guilty of corruption involving 370 million yuan on grain contracts in eastern Szechwan. Chungking added (Feb. 15) that Cheng Chi-tzu had been arrested in Langchung Hsien, Szechwan, for corruption amounting to 150 million; and (Feb. 16) that 29 merchants had been arrested on orders of the West Szechwan Austerity Committee for defrauding the Government of 38 billion yuan. Chungking said (Feb. 14) that in Yaan, Sikang, major corrupt merchant Chao Kuan-seng had been arrested.

Peking reported in numeral code (Feb. 16) that Tiao Yu-san and Feng Wei-ping, manager and assistant manager, respectively, of the Yuan Mao Chuan cotton reprocessing factory, Peking, sent Feng Wei-yuan to work as a "salesman" in the China Yard Goods Company, where he stole business plans and other information. When the men learned in October that the cotton stocks of the company were low, they bought up cotton along with other merchants, raising the price from 4,000 to 6,000 yuan per catty in 2 weeks. In November, learning that the State company had obtained large stocks, they dumped their cotton and took reprocessing contracts. They also doctored old cotton with chemicals and sold it as new at prices up to 16,000 yuan per catty when the company prices were 11,000. The cotton dealers connived through Feng to get the reprocessing fee raised from 500 to 700 yuan per catty, making 20 million yuan on the deal. The privately owned Ching Ho Cheng Company offered to do the reprocessing at 450 yuan per catty, but this bid was rejected on the grounds the company's machinery was not in good condition.

Dishonest Merchants. Many actual cases of corruption in amounts less than 100 million yuan were reported. Some of the most interesting ones, and those which are completely described or identified, follow:

Harbin announced (Feb. 13) that Chang Yung, cotton merchant of Ilan Hsien, Sungkiang Province, cheated the Government of 3,451 catties of cotton worth 8 million yuan on processing contracts. Tsinan reported (Feb. 16) that Chang Jih-chang had been arrested for conniving with cadres to defraud the Government and to speculate with Government funds. Hofei announced that in Wuhu Hsien, Anhwei, 63 corrupt merchants who evaded taxes amounting to 50 million yuan each had been arrested. Hangchow reported (Feb. 13) that in Shangkuan Chu lumber merchant Wang Yu-chi made an incomplete confession and was arrested. He had given a bribe of one million yuan to Ho Ping-shu of the Department of Conservancy, and 200,000 to Ling Tzu-cheng, a Chekiang Construction Department cadre. The same radio said (Feb. 14) that silk merchant Ho Yung-chia confessed to causing Government losses of 140,000 yuan, angering the people present, who accused him of defrauding to the amount of 600 million yuan and obstructing the drive. Wuhsi reported that in Changchow cadre Chou Ching of the Tax Bureau confessed to corruption involving 50 million yuan, but new accusations raised the figure to 129 million.

Shanghai reported (Feb. 13) that Kang Li-yuan, manager of the Likang Pharmacy, Chunghua Road, Nanking, had been ordered arrested and his property impounded. He connived with the medical office of the Nanking Hospital to defraud the Government, and his fake medicines killed 13 children and endangered the lives of others. The same radio said (Feb. 14) that Pao Yun-shao had been arrested for furnishing bad lumber on fulfilling a contract, and thus undermining the Huai River project. Shanghai announced (Feb. 15) that from May 1949 to the end of 1951, according to the Shanghai Tax Bureau, there had been 155,800 tax evasions amounting to 260 billion

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yuan. Shanghai said (Feb. 16) that the East China General Federation of Cooperatives had reported the rounding up of 74 corrupt elements who had grafted in amounts larger than 5 million yuan.

Nantung announced (Feb. 13) that in Jukao Hsien, Kiangsu, cadres Feng I-ling, Wang Hsin-wu, and Feng I-kang, and merchant Yu Chien-chuan were arrested for embezzling Government grain, oil, gold, and silver. The cadres received bribes of a wrist watch, a mouth organ, three pairs of tennis shoes, and other things. Several made profits on Government purchases. Wang Hsin, accountant in charge of the Taihsien Government Warehouse, embezzled 13,000 catties of oil. Yangchow reported (Feb. 13) that corrupt merchant Wang Shi-fu "corrupted Yu Hsi-ling of the North Kiangsu Grain Bureau with bribes," and arranged with him to accept low-grade grain as high-grade. The same radio said (Feb. 14) that merchant Wang I-cheng of Taihsien made 13.4 billion yuan through speculation during the liberation and evaded taxes of 16 million. The Chingchiang Government ordered the arrest of Chao Wen-ping, manager of a large contracting company, for conniving with cadres to cheat on materials and labor, and "endangering the Nation's construction program." Yangchow said (Feb. 16) that Ku Kan-hsien, manager of the Jenho Processing Mills, stole Government grain and used the money for speculation, from which he made 8 million yuan. Yangchow reported (Feb. 17) that Chang Kai-fan, Kiangtu Hsien, Kiangsu, connived with city government cadres to get to handle 200,000 catties of relief grain, embezzling a large part of the amount. Chen Chi-fu of Jukao Hsien became a labor union leader and used his position to exploit workers and blackmail people. He defrauded to the amount of 300,000 catties of rice and 7 million yuan. Tao Chi-heng of the same hsien bribed cadres and dealt in gold and stolen goods. Dock workers in Taiping, Yangho, and Peilei wharves, Chingchiang Hsien, reported 200 cases of tax evasion by corrupt merchants.

Foochow announced (Feb. 17) that in 1951 there were 1,200 cases of tax evasion handled in Fukien Province, along with 60 cases of profiteering, and 40 cases of theft of materials and labor, all by merchants. Losses to Fukien were 6 billion yuan, and the "means adopted by these crooked merchants are shameless, barbarian, and mean." Wuhan announced (Feb. 12) that corrupt merchant Lu Ta-ming had been arrested in Nanchang on charges of evading taxes on 430 million yuan worth of business and embezzling 5,300 ounces of silver and 10 ounces of gold. He tried to evade punishment by placing the blame on Chen Chi-cheng, who committed suicide Jan. 24. Wuhan reported (Feb. 14) that Liu Ching-kang, a salt merchant, embezzled 6.23 million yuan worth of Government property. Yu Yu-shu, a textile merchant, embezzled 4 million yuan and 4 ounces of gold. Wuhan said (Feb. 15) that Liu I-hsiang and Wang Tung-pu of the Yeh-tu Shipping Company received Government aid after they got into financial difficulties, used company money to speculate, engaged in smuggling, and made huge profits on salt. They connived with Li Mu, cadre in the Szechwan Navigation Company, to defraud the Government. Canton said (Feb. 13) that the Canton Tax Bureau had reported 35,800 cases of tax evasion in the past 2 years, with 1,500 billion yuan worth of business going tax free or paying up to 50 percent of its taxes. Corrupt merchants also were accused of smuggling goods out of the country "to Kuomintang reactionaries or American imperialists." Merchants in 10 hsien of the Kaolei Special District were estimated to have evaded taxes amounting to 34 billion yuan.

Sian announced (Feb. 15) that in Lanchow Chang Chu-cheng, Chang Chu-jen, and Pien Ching-chung, who threatened clerks, bribed cadres, defrauded the Government of 260 million yuan, and evaded taxes of 65 million, had been arrested. Chungking reported (Feb. 14) that in northern Szechwan lumber merchant Hu Ping-chang was ordered arrested because he refused to confess to embezzling large quantities of Government gasoline and auto parts. Merchants Hu Te-yeh, Chung Tzu-chang, and Chao Tzu-ling were arrested for cheating on Government contracts, evading taxes, and obstructing the drive. In Chintang Hsien, Szechwan, one merchant was accused of evading 625 million yuan in taxes. Chungking said (Feb. 16) that in Neichiang, Szechwan, Ching Su-kang was accused of defrauding the Government, illegally dealing in 200,000 silver dollars, and 2.5 million catties of copper and other metals.

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Kunming reported (Feb. 17) that in Mengtzu Hsien, Yunnan, Chao Fang-pei was arrested for bribing a cadre with a wrist watch and 600,000 yuan, evading taxes of 67.8 million yuan, and dealing in gold and silver. Ma Tzu-ku and Wu Wen-yu refused to confess at a special meeting called for their benefit, so were arrested for defrauding the Government. Chungking said (Feb. 14) that total corruption among merchants of Kunming amounted to 32 billion yuan. Chungking claimed (Feb. 16) that 1,000 bribery cases in Kunming involved 10 million yuan; that bribes of one import-export firm amounted to 130 million yuan; that one "crooked merchant" of the motor transportation trade "tried to bait cadres with women," while another engaged in speculation at Hankow disguised as a Publicity Security official; one auto transportation company smuggled 50,000 ounces of opium, 640 ounces of gold, and 2,000 silver dollars; and in numerous auto transportation companies vehicles were found to have gadgets for concealing and smuggling opium and gold. One hundred cases of tax evasion in the city involved 10 million yuan, and one-third of the furniture dealers in Kunming "paid no taxes during the past 2 years."

Government Officials. In spite of the concentration on merchants and business men, a large amount of corruption among Government officials and cadres in Government offices was reported. Anshan announced (Feb. 12) that Wang Yu-kuei, head of Lungshan Farm, "aroused the masses through his refusal to confess," and was charged with corruption amounting to 200 million yuan. Chinchow reported (Feb. 16) that Liu Wen-chang, storekeeper at Factory No. 604, caused losses to the Government of 180 million yuan, and when accused by his fellow workers tried to flee. Chang Kung-yuan, a fellow employee, "went out to look for him and brought him back." Tsinan announced (Feb. 17) that cadres Cheng Ching-kuang, Chen Yung-kuang, and Ho Yung-heng, "old Party cadres who turned into faithful servants of the capitalists," had been arrested and expelled from the Party. In the China Equipment Company Cheng allowed merchants to rob the Government of 500 million yuan "in return for gifts from merchants." A fourth official, Ting Yung-kang, used his inside information on prices of chemicals to connive with merchants and cause a loss to the Government of 300 million. The Tsingtao Transportation Company "was so full of capitalist agents that it had become their stronghold." Leading cadre Chiang Chung-ling organized a ring of corrupt cadres to defraud the Government by selling stolen property, with Chiang making 78 million yuan on one corrupt deal in oil and gasoline with merchant Chou En-ping. He allowed his office to become a meeting place for speculating merchants, and when money was tight lent funds to merchant Ling Chu-hua, causing the Government to lose 185 million yuan.

Shanghai announced (Feb. 13) that Ma Kuan-min, "member of a group of capitalistic lumber dealers," took a clerks' examination and got employment with the Fukien Board of Trade, where he passed out economic information and connived with his uncle to defraud the Government of 760 million yuan and 205 ounces of gold. Shanghai (Feb. 16) told of a Tsingtao cadre who had been arrested for hiding goods of corrupt merchants on which they had paid no taxes. Hefei reported (Feb. 12) that Wang Hung-seng, assistant head of the transport section, Locomotive Shops, sold 100 million yuan worth of Government property; Hu Tzu-nan used his position as a station agent to embezzle 500 million yuan; and Chou Hou-seng, postal employee, was in possession of 180 pieces of stolen property, including radios, copper tubing, and valuable instruments. Hefei said (Feb. 17) that Chu Shao-seng, Shucheng branch, China Food-stuffs Company, embezzled 6,000 catties of grain, and during his term of employment robbed the Government of 333,734,000 yuan.

Hangchow announced (Feb. 16) that Tu Ching, chief of the supplies department, Hangchow Railway, accept short weights on cargo from merchants, formed mutual alliances with them, and robbed the Government of 130 million yuan. Liu Tao-kuo, Linan Hsien, Chekiang, sold 60 million yuan worth of Government telephone equipment to private dealers. Yangchow announced (Feb. 16) that Hsieh Shu-mu had been arrested as "an agent of capitalists" in the Water Conservancy Department, North Kiangsu Administration. While working on the Huai River project he received more than 100 million yuan in bribes from businessmen to help defraud the Government. Nantung reported (Feb. 12) that Feng Tso-yu, Chung Hang-wu, and Shen Tzu-jen, hospital cadres, embezzled 10

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million yuan each. Chou Tao-ko, China Native Products Company employee, embezzled 13 million yuan. Cho Hsi-jen, woolen mill accountant, embezzled 200 tan of rice. Nantung said (Feb. 15) that the Nantung branch, People's Bank, had arrested Chen Wei-ju, Chou Hai-ning, and Cheng Te-tao, bank employees who made incomplete confessions, for embezzling Government funds. Wuhu reported (Feb. 11) that three construction foremen accepted 3 million yuan in bribes from merchants to allow cheating on labor and material in Government contracts.

Hofei announced (Feb. 15) that Yen I, Huainan Colliery cadre, had been arrested for defrauding the Government of 50 million yuan. Huainan reported (Feb. 15) that Hsieh Wen-tao, Huainan Construction Company foreman, sold Government cement and coal and confiscated workers' wages totaling 12 million yuan; Foreman Chao Chang-chi took 40 tan of rice and 300,000 yuan. Huainan said (Feb. 16) that Liu Hsueh-chang, purchasing agent for a mine, received 20 million yuan in bribes. He confessed to receiving 600,000, "protested that he had always been a hard-working cadre," and declared that if he had taken any more "he deserved to be shot." When additional facts were disclosed he "offered to return the money he had taken illegally," and "now is awaiting trial." Huainan said (Feb. 17) that Wang Hsueh-wei confessed to conniving with merchants and taking 13,311,000 yuan while on the staff of the Chengta Mine, and exposed Chen Ta-mei, another cadre. Chang Hsien-kuang, cadre in the Kuoching subgroup, 335th section, Chiulung Colliery, Anhwei, "realized the errors of his thinking after indoctrination," and "after a talk with his wife" admitted taking 10,420 catties of rice, 450 catties of coarse rice, 240 catties of chick peas, 39 tan of soybeans, and 4,855,000 yuan in cash from the workers. "The Austerity Committee of the 335th section pardoned him."

Wuhan reported (Feb. 17) that in Kwangtung Chen Chia-kuen, section chief, Public Safety Bureau, connived with merchant Wu En and received 17 million yuan. Chin Te-ling, engineer in the Kwangtung Construction Company, received 90 million yuan in bribes from corrupt merchants. Canton said (Feb. 13) that Wang Fa-chung, cadre in the purchasing department of the Kwangsi Trading Company, used inside information on Government prices to connive with leather merchants to make speculative profits of 20 million yuan, at a cost to the Government of 100 million.

Chungking reported (Feb. 16) that (Yang Ping-shih and Wang Cheng-chie) got positions with the Chenchiang branch, People's Bank, and "undermined the State financial system." (Wang) was invited to dinner 63 times by 39 stores and received bribes from 40 stores. The two were directly involved in corruption amounting to 100 million yuan. Kunming announced (Feb. 11) that Li Te of the Yunnan Salt Administration had been removed from office for conniving with merchants to defraud. Cadre Hsu Yung-chiu was corrupted by corrupt elements Chang Li-hua and Wu Ching-te, who gave him opium. These latter two, "who infiltrated into the forces of the Revolution," were given a public trial. Kunming said (Feb. 13) that cadre Li Kuo-liang was corrupted by Liu Chi-kuang and bribed with 2 million yuan to allow Liu to evade taxes. Many transport workers have transported opium for corrupt merchants, and have made agreements with capitalists to designate spheres of operation "while others are afraid of losing their jobs." Kunming reported (Feb. 17) that Lu Chintang was arrested Feb. 13 for conniving with merchants to defraud the Government. He got a position in the People's Bank, despite the fact he was a "leftover from the old regime;" joined four rings, including a smuggling ring; lent 1,505,000 yuan to one ring; made loans to merchants on "opium and empty cases;" and caused the Government to lose 3 billion yuan.

ECONOMIC WEAKNESSES AND FAILURES

A few weaknesses in the Chinese economic structure not directly related to the anti-corruption drive were revealed in broadcasts. Chinchow announced (Feb. 16) that in Liaosi Province 2,347 head of livestock had been infected by the hoof and mouth disease by Feb. 10, with only 257 cured. The disease had spread through Chin, Changwu, Fafu, Kaiyuan, Kangping, Lishu, Shangliao, Fuhsing, Heishan, Hsinmin, and I Hsien, and into Ssiping city.

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Peking in numeral code (Feb. 13) gave a report by Liu Lan-tao of the North China Administrative Committee concerning drought problems in North China. The report admitted that: "With the exception of Chahar and Suiyuan, where yields were reduced sharply from excessive drought, the three provinces of Hopei, Shansi, and Pingyuan had harvested as much as 70 percent of a normal year as a result of the effort and struggle." Liu warned that the time for spring plowing is approaching, and the "effort must be widespread" to carry out proper drought-prevention measures. Spring farming must be started exactly at the right time, and, "the Three Anti's movement among chu and village governments shall be carried out after spring plowing." Since autumn and winter of last year the rain and snow in the northern regions was said to have been light, with the land "very dry." In 1951 droughts of varying degrees affected northern Szechwan, Yunnan, Kiangsi, Hunan, and Chekiang, an area of 35 million mou, "causing great damage to the crops." Chungking announced (Feb. 15) that in Sikang the Department of Agriculture had issued a directive on killing of pests in rice and wheat fields. Sian said (Feb. 16) that the Tsinghai Government had issued a directive on drought and pest control.

Foochow announced (Feb. 17) that the Tung Chia Hsiang Supply and Marketing Cooperative in Chouning Hsien, Fukien, had given up its old policy of making a profit, and adopted a policy of "serving its members," with "business developing appreciably." Wuhan reported (Feb. 15) that in the land reform investigation areas of Shangjao Hsien, farmers had "overcome their hesitancy and begun to repair the waterways and work the land." Yangchow admitted (Feb. 15) that despite the organization of 590 mutual-aid teams among 318 villages in Chitung Hsien, Kiangsu, "due to lack of propaganda and understanding of Chairman Mao's appeal on agricultural production," the development of mutual-aid teams had not reached its goal.

Anshan reported (Feb. 13) that in the Anshan Supply Office the warehouse control system was managed so inefficiently that missing goods could not be traced. In Warehouse No. 2, 150 bars of pig iron had "disappeared without a trace." Canton said (Feb. 13) that the Nanyang Electrical Supply Company contracted to repair one of the city's generators, and in doing the work transferred some of the parts to State sugar mills. A contractor for a dam construction project used short screws, "endangering the whole project." It has been the custom for Canton machinery manufacturers to give a kickback of 5-20 percent to purchasing agents in Government offices, "besides entertaining them at dinner." Wuhu reported (Feb. 11) that in the Tatung mines, Kiangsu, three miners were killed and two wounded by falling timbers in a mine shaft.

LAND REFORM

Wuhan announced (Feb. 11) that Deputy Governor Chen Wan-yun of Kwangsi Province made a personal inspection of land reform during the spring festival, then called a meeting of land reform cadres and urged them to "overcome their laxity and exert greater efforts" in carrying out the land reform and the land reform inspection programs. Inspection teams have been sent to Pinyang and Jung Hsien. In Puchi Hsien, Hupeh, the Party Committee called upon cadres to "overcome their laxity and mobilize the peasants to carry out the land reform program." Wuhan said (Feb. 17) that in Changsha and Hengyang areas of Hunan the land reform program had been completed. Canton reported (Feb. 17) that in the Kaoiei Special District, Kwangtung, a meeting was held to redistribute properties "which had been confiscated from landlords." Proceeds from the sale of confiscated goods were used to purchase seed, fertilizer, oxen and farm implements, and the extra cash was "deposited in the People's Bank."

Chungking announced (Feb. 11) that peasants in Yuchia Hsiang, Santai Hsien, Szechwan, held a meeting Feb. 2 to celebrate the issuance of land certificates, with dependents of many Armymen present. Chungking said (Feb. 17) that a similar meeting to issue title deeds was held in Nanchung Hsien. Kunming announced (Feb. 11) that "after a period of indoctrination" 2,437 teachers and students from Kunming schools and colleges had been sent to the rural areas to carry out the land reform program as "part of the

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program for thought reform." Kunning said (Feb. 13) that land reform inspection teams found the areas "backward" and the "program hampered" in Yuchi Hsien, Yunnan. Kunning complained (Feb. 17) that the land reform program had not "developed properly and regularly" in Lunan, Luliang, and Mile Hsien, Iliang Special District, Yunnan. "Landlordism still reigns."

SINO-SOVIET FRIENDSHIP

As part of the celebration of the second anniversary of the signing of the Sino-Soviet Friendship Treaty, Soviet films were shown in various parts of China. Peking reported in numeral code (Feb. 15) that the Chungking branch, Sino-Soviet Friendship Association, had "dispatched a motion picture and slide projection corps to the suburban areas to entertain the people with Soviet collective farm pictures." Soviet films, as well as Soviet pictorial exhibits, were shown in Central and South China. "In spite of the rain, large numbers of people have been visiting the exhibitions." Wuhan reported (Feb. 17) that about 12,000 persons visited the Wuhan exhibit. Hangchow announced (Feb. 13) that Soviet films were shown in the city. According to Peking in numeral code (Feb. 14), in 1949 Soviet films were seen by 2.5 million persons in Northeast China, 11 million in 1950, and 22.5 million in 1951.

Mukden announced (Feb. 14) that in the Northeast the Sino-Soviet Friendship Associations now have 6 million members. Wuhan said (Feb. 15) that between August and October visitors who had made trips to the USSR or Germany made 230 public appearances in Central and South China, and were heard by 832,000 persons, or about 3,000 at each appearance. Harbin said (Feb. 13) that in Sungkiang Province the farmers were "loud in their praise of the Soviet tractor operator who was teaching them mechanized farming." Mukden reported (Feb. 15) that the Vice President of the China Medical University Hospital had written a letter to the MUKDEN DAILY expressing thanks to the advanced medical science of the USSR, "which has brought happiness to China." The Mukden branch of the China Motion Picture Company wrote an article expressing thanks for the aid given the motion picture industry by the USSR. Mukden reported (Feb. 16) that the TUNGPEH JIH PAO carried an article by a model worker on his determination to learn "progressive Soviet techniques." In construction and repair of the Chinese-Changchun Railway the Soviet experts introduced more than "100 progressive working methods." Peking said in numeral code (Feb. 17) that a Soviet paper expert had succeeded in making paper pulp from straw. Yangchow reported (Feb. 14) that teachers and students in Chingchiang, Kiangsu, had sent a letter to grade school teachers in the USSR thanking the USSR "for its brilliant leadership."

Peking declared in numeral code (Feb. 15) that at Foochow the Sino-Soviet Friendship Association of Fukien Province "refuted with concrete facts the doubtful attitude adopted by the propertied class toward the selfless international friendship between the two countries, China and the Soviet Union." Mukden reported (Feb. 16) that the price of the Lilo brand of penicillin had been reduced from 15,700 to 13,700 yuan. Soviet-made penicillin was priced at 9,500 yuan.

IDEOLOGICAL ADJUSTMENT

Hangchow reported (Feb. 11) that the Chekiang Students Conference closed after passing resolutions to support the antiwaste, anticorruption, antibureaucracy drive, to carry out the thought reform program, and to carry out the program for the year. Hangchow said (Feb. 15) that the Chekiang Educational Conference had ended following the study of documents and following talks urging delegates to "seek out corruption in schools and colleges." Shanghai reported (Feb. 12) that the East China educational and cultural workers ended their conference Feb. 10 after resolving to promote the drive and the thought reform program. Sian said (Feb. 13) that the winter school program in Shensi had ended with 720,000 students being taught 300 to 1,000 characters and having their "political consciousness greatly increased." Wuhsi said (Feb. 17) that 10,000 persons attended the winter schools in I Hsien, Kiangsu.

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Wuhsi announced (Feb. 12) that the Military Administration of Sungkiang District had arrested foreign Catholic imperialist elements and ordered their deportation for "obstructing the People's Movement." They had joined the workers' unions in order to sabotage them, and had received aid from abroad to "carry on their reactionary work under the guise of cultural activities."

COUNTERREVOLUTIONARIES

Anshan announced (Feb. 12) that Wang Ting-shu, Yao Wan-ching, and Mou Chung-ho, village leaders in Chu 3, were arrested as counterrevolutionaries. Foochow said (Feb. 14) that the Mawei Chen People's Government had sentenced to immediate execution "rascals" (Hsiung Chao-yuan, Chen Chien-tai, and Yao Feng-wu) "to eliminate feudalism among wharf enterprisers." Foochow announced (Feb. 16) that bandit Mei Yu-shan had been arrested by the Putien Hsien Government for obstructing land reform and oppressing the people. Taiyuan reported (Feb. 11) that after the execution of Pai Hung-ju, a member of the Ikuantao, his brother, Pai Cheng-ju, and his uncle, Pai Fan-sheng, conspired with landlord Chang Fei-ho to murder Chia Hou-i, chief of the Hsinchiang Public Safety Bureau. Failing in this, they murdered Li Chi-min and Pai Tsai-wen, two cadres of the Public Safety Bureau, and had now been apprehended for trial. Kunming said (Feb. 17) that in Menghua and Hsuanwei Hsien, Yunnan, farmers had been urged to intensify their campaign for the suppression of counterrevolutionaries.

NATIONAL MINORITIES

Sian reported (Feb. 12) that units of the People's Liberation Army in the Kazak Turfan area helped minority groups there construct a canal of 8,000 meters which will irrigate 440,000 mou of land. They also helped harvest crops, give smallpox inoculations, and taught 30 students to read. Sian said (Feb. 15) that minority cadres are being trained in Chu 2, Luntai Hsien, Tihua, and such cadres now serve as heads of eight villages and three farmers associations. Sian said (Feb. 17) that in Kansu and Tsinghai more than 1,000 members of national minorities are cultivating land received through the land reform program.

Kunming reported (Feb. 15) that 180 persons met in the city from among the national minorities to welcome the Chinese Volunteer delegation. Chungking said (Feb. 16) that the Second Conference of All Nationalities closed Feb. 11 in Lichiang Chu, with 448 delegates present representing 28 nationalities. Chungking reported (Feb. 17) that a similar conference had ended in the Patang area.

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